

From: Jeff Schroeder
To: Microsoft ATR
Date: 1/24/02 6:15pm
Subject: Microsoft Settlement

Concerning my comments to the potential Microsoft settlement:

I am opposed to the proposed settlement in the Microsoft antitrust trial. I believe it does not adequately redress the actions of Microsoft nor provide a good mechanism for preventing their monopolistic practices.

The current proposal will not hinder Microsoft's monopoly in the computer industry. They, of course, are claiming that it is a big victory for the consumer and smaller companies, while the actual result is quite the opposite. The proposed remedy is a mere slap on the wrist telling them not to do it again! Some of the most noticeable problems are listed below:

1. Microsoft uses license terms which prohibit the use of Windows-compatible competing operating systems in its EULA for many products.
2. Large users (Enterprises and Universities) seem to be completely unaffected by the settlement and, as before, have no financial incentive to not use a Microsoft product. They are still charged on a per-processor basis, no matter if the computer runs Windows or not. This problem can also be evidenced by the huge amount of extra software that Microsoft bundles with its Windows operating system. How can any company compete with products that are distributed (without additional cost for the user) on 90% of every personal computer?
3. Microsoft is not prevented from changing its software so that it can not run on non-Microsoft Operating Systems or other dependant components.
4. Narrow definitions in the Settlement provide ample loop-holes for Microsoft to exploit at will. Specific wording defines the current versions of Microsoft products, without any room for future products. Windows CE and other similar versions of Windows are also not included in many important components of the Settlement.

The vast majority of the provisions within the settlement only formalise the status quo. Of the remaining provisions, none will effectively prohibit Microsoft from abusing its current monopoly position in the operating system market. This is especially important in view of the seriousness of Microsoft's past transgressions.

Most important, the proposed settlement does nothing to correct Microsoft's previous actions. There are no provisions that correct or redress their previous abuses. They only prohibit the future repetition of those abuses. If an organisation is able to commit illegal acts, benefit from those acts and then receive as a "punishment" instructions that they cannot commit those acts again, they have still benefited from their illegal acts. That is not justice, not for the victims of their abuses and not for the American people in general.

Thank you for your attention.

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